

Historic Preservation Grants-In-Aid Program

Department of Natural Resources – Program 2

I. PROGRAM OBJECTIVES

The Historic Preservation Fund Grants-In-Aid Program (HPF) authorized by the National Historic Preservation Act, as amended, is structured to promote:

- A. the conduct of a comprehensive statewide survey of historic properties, identifying and nominating eligible properties to the National Register of Historic Places and administering applications for such;
 - 1. the preparation of a comprehensive, statewide preservation plan;
 - 2. the administration of a state program of federal assistance for historic preservation within the state;
 - 3. the assistance, as appropriate, of federal and state agencies and local governments in implementing historic preservation responsibilities;
 - 4. the cooperation within all levels of government to ensure that historic properties are taken into consideration at all levels of planning and development;
 - 5. the provision of public information, education and training, and technical assistance relating to the federal and state historic preservation programs; and
 - 6. the assistance to local governments in the development of local historic preservation programs and in becoming certified under the HPG.
- B. the certification of local governments in accordance with a National Park Service (NPS) approved state process. (A certified local government (CLG) may compete for a minimum of 10 percent of a state's yearly apportionment.)
- C. the appropriate use of historic preservation tax incentives under 36 CFR 67. (These regulations address the Secretary's responsibilities under the Economic Recovery Tax Act of 1981 and related tax legislation.)

II. PROGRAM PROCEDURES

Alaska receives a yearly program apportionment from the Secretary of the Interior through the Department of Interior, National Park Service. Amount is determined by the prior year's Annual Report, state population, and prior program management. From eligible applicants including non-federal government units, private organizations, corporations and individuals, project applications are prioritized for funding by members of the Alaska Historical Commission appointed by the Governor. The Office of History and Archaeology, project

applicants statewide, and CLG proposals (comprising a minimum of 10 percent of Alaska's apportionment) receive funding. State/ recipient agreements are written for all non-state projects. Billings under the HPG may be monthly for a total of 90 per cent of the project cost. Upon receipt of the project product, the final 10 percent of the grant is released to the recipient.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirements

All costs claimed and approved for payment must be necessary for the accomplishment of approved grant objectives and must be eligible under the HPF.

Suggested Audit Procedures

- Review grant agreement to ascertain whether the costs billed are enumerated in the project budget found in Exhibit A of the state/ recipient grant agreement.
- Review HPF Manual to determine if only eligible costs were claimed. (See Manual Chapter 13, pp. 1 - 18.)

B. ELIGIBILITY

Compliance Requirements

Only non-federal government units, private organizations, corporations and individuals contracting with, hiring, or obtaining volunteer services from qualified individuals are eligible for funding. (see 36 CFR 61 for federal qualification standards.)

Suggested Audit Procedures

- Determine if the recipient is non-federal.
- Test whether at least one individual receiving A salary or donating time under the grant is qualified under CFR 61.

Compliance Requirements

All costs claimed must be within the grant period. (a maximum of two years including a one-year carry over.)

Suggested Audit Procedures

- Review the dates that costs are incurred as listed in recipient billings.
- Test cost dating to determine compliance.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirements

Forty percent of the costs claimed must be provided by the recipient.

Suggested Audit Procedures

- Review billings project by project and year-by-year to determine if:
 1. 40 percent of the grant total is provided by the recipient;
 2. 40 percent or less of the billing amount honored was comprised of donations; and
 3. where overmatch of one grant is applied to another from the same funding year, the total yearly apportionment under the program is matched 60/40 (federal/state).

Compliance Requirements

The maximum hourly salary rate allowed under the HPF is that of a GS-18 in the federal system plus the Alaskan cost of living differential (COLA).

Suggested Audit Procedures

- Test the hourly, rates claimed.

Compliance Requirements

All special conditions in the Department of Interior-S NPS apportionment document, NPS project initiation document, and state/recipient agreement must be met.

Suggested Audit Procedures

- Review all special conditions, if any, of the state/recipient agreement and NPS project approval document.
- Review all special provisions of the state apportionment document year by year.
- Test all grants, including CLG projects, to ascertain if all special conditions have been met.

D. REPORTING REQUIREMENTS

Compliance Requirements

The following fiscal reports must be submitted periodically, for the HPF:

1. Financial Status Report (SR 269)
2. Request for Advance or Reimbursement (SF 270)
3. Request for Payment on Letter of Credit (SF 163)
4. Federal Cash Transactions Report (SF 27Z)
5. Request for Funds (Wire transfer; TFS 5805)

Suggested Audit Procedures

- Review Chapters 21-24, Historic Preservation Fund Grants Manual.
- Review completion instructions for relevant documents.
- Test completed documents against appropriate instructions.

Compliance Requirements

The following program reports must be submitted periodically for the HPF:

1. Annual Grant Application
2. End-of-Year Report
3. Amendments to the foregoing reports whenever additional funding becomes officially available

Suggested Audit Procedures

- Review Chapters 3, 17 and 25 of the Historic Preservation Fund Grants Manual.
- Test reports against instructions wherever appropriate.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirements

If the prospective grant recipient does not execute the state/recipient project agreement, fails to adequately complete a project, or does not use grant funding fully during the term of the grant, encumbered funding may be reallocated to eligible program activities/projects to avoid loss to the state and the program.

Suggested Audit Procedures

- Trace the reallocation of project funding from the initial allocation to final recovery under the program for sampled reallocation transactions.
- Determine if reallocation procedures have been followed fully (see Historic Preservation Fund Grants Manual, NPS-49).

Compliance Requirements

Appropriate internal controls are required for governmental financial management/activities, and are consistent with good fiscal management practices.

Suggested Audit Procedures

- Obtain a list of responsibilities for each employee associated with the HPF program.
- Determine and test employees' workloads, job descriptions, etc., to determine internal control adequacy and workload/overload appropriateness.

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